



Governor's Tourism Advisory Board Meeting Minutes

Wednesday April 12, 8:30 AM to 3:30 PM MT

Spearfish Canyon Lodge

106919 Roughlock Falls Road, Lead SD 57754

Board Members

Ann Lesch

Julie Ranum

Carmen Schramm

Kristie Wagner

Frank Smith

Caleb Arceneaux

Valentine Rausch

Ivan Sorbel

Tom Biegler

John Brockelsby

Jonathan Smithgall-Love Communications

Haydn Nelson-Love Communications

Adam Whalen-Love Communications

Adelaide Simpson-Love Communications

Amanda Molitor-Lou Hammond Group

Patrick Dame-Rapid City Region Airport

Michelle Wheatley-Mt Rushmore

Kevin Tillman-Jewel Cave

Leigh Welling-Wind Cave

Eric Veach-Badlands National Park &

Minuteman Historic Site

Toni Strauss-Black Hills National Forest

Bradley Block-Black Hills National Forest

Ralph Adam-Black Hills National Forest

Matt Snyder-Custer State Park

Other Guests

Kasi Haberman-SESD Tourism Assoc

Mistie Caldwell-Visit Spearfish

Kyler Flock-Visit Spearfish

Keegan Baatz-Visit Spearfish

Michelle Thomson-BHBL Tourism

Laura Corona-Karsh-Hagen

Mackenzie Johnson-Karsh-Hagen

Camille Ziccardi -Karsh-Hagen

Tourism Staff

Jim Hagen
Wanda Goodman
Cole Irwin
Kirk Hulstein
Katlyn Svendsen
Mike Gussiaas
Bailey Carlsen
Hallie Getz
Calvin Bloemendaal

Stephanie Palmer
Mandy Lemmel
Byron Banasiak
Jacey Ellsworth
Erin Weinzettel
Austin Kaus
Teresa Tople

President Carmen Schramm called the meeting to order and welcomed everyone.

Secretary Hagen welcomed the board and meeting participants to Spearfish Canyon. He thanked Mistie Caldwell from Visit Spearfish for hosting the meeting. He shared that it was a busy winter season as the team geared up for peak season marketing. The secretary shared how proud he has been of the team and the marketing agencies for all their thoughtful, creative, and hard work. He shared that the team has a ton of great updates for the board today and look forward to expanding on topics as the meeting progresses.

President Schramm asked each board member to give a brief report from their area.

Ann Lesch – Ingalls Homestead, DeSmet

- Fundraising for infrastructure on Main Street continues
- Sculptures are being donated to be placed around town
- Strong camping numbers
- School field trips are starting for the end of the school year

Frank Smith – Gettysburg

- Walleye numbers are decreasing in the Northern Oahe
- Summer reservations are starting but are slow
- Winter was slow

Carmen Schramm – Yankton

- Two restaurants closed but two new ones opened
- Lewis and Clark has summer reservations starting to come in
- The marina is come along and slated to be completed in 2025

Julie Ranum – Watertown

- Rough start at the start for the year because of the weather- low visitor numbers
- Bus tours are on the rise
- Two new breweries in town
- Downtown Plaza Park is opening in May
- Ice arena is underway and a great attraction for the area

Ivan Sorbel – Pine Ridge

- 80-100 inches of snow reported in Pine Ridge
- Bus tours are new to the area
- The Village is officially opening June 1, 2023
- Turkey season is open
- Pow Wow is August 4-7, 2023

Caleb Arceneaux – Black Hills / LIV Hospitality

- An increase of 4.5% in 13 hotels for LIV
- People are booking more last minute rather than planning ahead
- Leisure is lagging but corporate is strong
- The Box Elder Event Center (The Box) is opening in May-Sports tourism is amping up
- Housing boom in the area because of Ellsworth
- The Sturgis Rally is competing with Milwaukee's new bike rally

John Brockelsby – Rapid City/Reptile Gardens

- Reptile Gardens is 86 years old
- Easter was a good turn out
- Badlands National Park Conservatory is getting a new exec. director
- A new Visitors Center will be built in 2025 at the Badlands

Tom Biegler – Sioux Falls / Regency Hotels

- 31 sporting groups in the area
- Downtown is booming with Steel Development
- Excited for 2023 and more is coming in 2024

Val Rausch – Big Stone City /Abbey of the Hills

- Abbey of the Hills winter has been fair but some cancellations due to weather
- Summer at the Abbey is booked
- Glacial Lakes Tourism is expanding their board
- Valley Queen Cheese Factory is opening with 120 employees/huge housing boost for the community

Kristie Wagner - Dakota Resources/Whitewood

- Hotels and campgrounds are filling up for the Sturgis Bike Rally
- International workers are starting to make it to South Dakota
- Rapid City airport is reporting good numbers and the expansion is going to take awhile
- Lemmon SD is recruiting bus tours

Katlyn Svendsen and Stephanie Palmer, Global Media, and Public Relations

Public Relations Efforts:

- Team is hosting a press trip in eastern South Dakota for the State of Create. Visiting Sioux Falls, Brookings, Watertown and Mitchell. Another travel writer will be coming the week of April 24 to visit Sioux Falls for biotech animal industry related story and how that related to the development of Sioux Falls as a whole.
- The Jet Set is a digital broadcast opportunity, and they will be coming to western South Dakota in May focusing on agritourism, the past, present, and future.
- The team was in Toronto, Canada in February with the Trade Sales team to focus on entering the Canadian market. We hosted a media and trade event with great leads, connections, and opportunities to further expanding into that market.

Social Media Efforts:

- Short video clips have continued to perform well for small and large partners on our social media platforms driving great engagement for featured businesses and events. Recently, we wrapped up April Fool's Day and National Beer Day content on our platforms with fun creative elements.

Cole Irwin, Global Travel and Trade

Travel Tradeshows and Mission:

- Motorcoach Industry: The team attended both the ABA (American Bus Association) and NTA (National Tourism Association) conferences focusing on motorcoach travel. We met with over 65 motorcoach operators to help expand their tours into South Dakota. At both shows we partnered with over 15 SD partners (DMO's, Hoteliers, Attractions) to promote SD.
- International Travel Tradeshows: In March the GT&T team attended the Go West Summit tradeshow in Alaska. During the week-long event, we had one-on-one appointments with 50 international tour operators and media to expand interest in SD to our key international markets.
- International Sales Missions: In the past few months our team has traveled to the UK, Switzerland, and The Netherlands as part of the Great American West consortium to promote international travel the 5-state region of SD, WY, MT, ND, and ID. Over these two missions we met with 168 tour operators, travel agents, media and airlines to educate them on travel to and around our region. We held special events and partnered with major travel companies like United Airlines and Cruise America.
- Upcoming Travel Schedule for FY24 includes IRU, IPW, NTA, ABA, Go West Summit, Brand USA Travel Week and international sales missions (Germany, Italy, and Canada).

Familiarization Tours

- Destination America: Motorcoach company who will be bringing media from the US, Canada and UK. Outlets include the New York Post, Shondaland, TourScoop, USA Today and the Times (British). This will be happening mid-May.
- Collette: In September we will be welcoming Collette (large motorcoach operator) to SD. They currently have great product in western SD, but we are looking to introduce them to eastern SD while they are here.
- WebBeds/Iceland Air: In partnership with Iceland Air, we are bringing 10 tour operators from the Nordic region to SD this summer to expand their offerings in SD and to promote a Minneapolis gateway with Iceland Air. The tour will cover most of the state.

Canada

- Toronto trade and media event in February. Had nine travel trade members from the area attend.
- Partnering with BrandUSA and Collette to do trade events in 6 cities across Canada to over 200 travel agents at each location. We will be attending events in Calgary and Edmonton.

Kirk Hulstein, Calvin Bloemendaal, and Bailey Carlsen, **Industry Outreach and Development Team**

Resident Sentiment

- Gauge our resident's perception of the travel industry
- Overall, residents appreciate tourism and feel it is an important industry that benefits South Dakotans
- There are some areas that were identified as education opportunities

Consumer Sentiment and Outlook

- The percent of consumers that expect a recession has declined some in the past few months
- The Michigan Consumer Sentiment index has generally forecasted recession when dropping to around 50% mark. The latest index reported at 62
- During past recessions the midscale hotels have been impacted the least
- Economists expecting that even with a recession, hotel RevPar is expected to increase
- Inflation and financial concerns are top of mind and causing some consumers to cancel their trip.
- Financial concerns are impacting the lower income households and Gen Z/Millennial generations to a greater degree.
- Most consumers still plan to travel but will change the way they spend...cutting back on entertainment, recreation, and retail
- We need to stay aggressive and competitive as we are seeing travelers now begin to look at urban and beach vacations again
- Excitement to vacation is at an all-time high and we think this demand will help the travel industry to weather the financial strains on U.S. households

Governor's Conference on Tourism

- In January we welcomed 530 conference attendees, 4 keynote speakers, 16 breakout sessions, 10 award winners, and heard some fantastic updates from our very own, Wanda Goodman, US Travel Association, the VIA, and an amazing industry panel.
- We had excellent feedback from attendees. We appreciate everyone who takes the time to fill the evals out. I personally read every single one of them. And I take them seriously. We do our best to try and meet everyone's needs.
- As soon as NTTW is over we will begin preparing for our 2024 conference. Picking out keynote speakers, the color theme, starting work on breakout session schedule and evaluating what aspects are worth keeping versus what new elements we may want to try and incorporate.

Spring Hospitality Training

- In 2022 we welcomed 521 participants throughout seven communities.
- We were especially pleased to see the variety of industries who sent staff members. Like our Online Hospitality Training, we want to encourage all industries to participate and understand their connection to the tourism industry.
- Keystone, Sturgis, Rapid City, Pierre, Aberdeen, Brookings, and Sioux Falls with Christine Cashen
- The event continues to be open to the public, free and requires NO registration.
- A few changes this year:
- We will be giving away 2 door prizes in each community, and each training will only be 1 hour long
- In an effort to grow our reach to more industries that are connected to the travel and tourism industry and interact with visitors, we are pleased to partner with the South Dakota Retailers Association for this year's training as we host Betsy Allen-Manning to 7 communities throughout the state.
- People Savvy: Improve Communication, Build Better Relationships & Deal With Difficult People Effectively
- Here is the write up:
- Studies show that 85% of your success in life is due to your people skills, yet it's one of the most difficult skills to develop. In this highly interactive & hilarious presentation, Betsy takes you through an engaging experience of how different personalities prefer to communicate, connect, be influenced, make decisions, and resolve conflict. As a human behavior expert, Betsy breaks down personality styles in a humorous and easy way so you can work better with others and get the results you want.
- Actionable Takeaways:
- Get strategies for increasing your emotional intelligence and dealing with difficult people.
- Quickly identify someone's personality, preferences and peeves, and leverage that knowledge to build stronger relationships, enhance service and reduce conflict with others.
- Discover strategies to common communication issues so you can adapt to get better results with people.
- Learn how each personality style is specifically motivated, and how they prefer to be influenced and make decisions.

NTTW

- May 7-13
- This year marks the 40th Anniversary of National Travel and Tourism Week and this year's theme is #TravelForward.
- The goal with this year's NTTW is to bring awareness to how the travel and tourism industry fuels every industry. That our industry's success, is the state and a nation's success.
- It's an economic powerhouse that welcomed 14.4 million visitors to South Dakota last year, accounting for nearly 57,000 jobs while generating \$4.7 billion in visitor spending, which resulted in a tax savings of \$1,011 per South Dakota household.
- When we move #TravelForward, we grow South Dakota's economy, enhance our communities, and create quality job opportunities for thousands of workers.
- Join in the NTTW celebration. We have a number of ideas of how you can do so on SDVisit.com, including a few templates and a toolkit.
- I'd also ask that you light up your business, attraction or local landmark in RED, the official color of travel.
- Let us know if you do this and send us photos too. We love to be able to share this with a wider audience, along with any celebrations your community may be doing.

Legislative Session Recap

- Governor vetoed House Bill 1109 (bid tax bill) in early March.
- As the governor mentioned in her press release: "The occupation tax is not just paid by out-of-state travelers. This legislation would raise taxes on South Dakotans. South Dakota residents are traveling every day for business, medical visits, youth activities, weddings – the list goes on. South Dakotans vacation in South Dakota, as well."
- Senate Bill 148, which is the bill that would have appropriated \$15 million to the Rapid City Airport for projects, was tabled in appropriation in late February.
- Senate Bill 158, which would have appropriated \$20 million for a grant program to benefit projects at airports statewide, made it a bit further but failed to pass on the House floor.
- House Joint Resolution 5006, which would have allowed sports wagering statewide, failed on the House Floor.
- State employees will receive a 7% salary increase.
- House Bill 1137 passed, decreasing the sales tax from 4.5% to 4.2%. This bill has a sunset clause of June 30, 2027.
- Since 2011, a portion of the promotion tax money, which today amounts to \$964,231, has been diverted to fund the offices and operations of the Archaeological Research Center and the Cultural Heritage Center, which were moved to DOE in 2015.
- This legislative session our team succeeded in getting the votes we needed to fully restore Travel South Dakota's budget for the first time since 2011.
- It's worth noting that these two groups will not be left hanging, as their funding was granted under DOE's FY24 budget.
- These last three items will go into effect on July 1, 2023.

Welcome Centers

- Successful Welcome Center Hiring
 - Full Staff
 - Two Interns
 - Increased hourly wage
- Excellent FAM tour scheduled in the SE for May
- Chamberlain Lewis & Clark exhibits all on track to be complete before WCs open
 - Prairie Dog Photo Op also going in the Chamberlain WC
- Chuck Bennis will complete a SD mural at the Valley Springs WC entrance before the WCs open

Mike Gussiaas, Global Marketing and Brand Strategy

- “So Much South Dakota” campaign launched as an evergreen campaign and updated to carry through Peak 2023 is performing excellent as measured by feedback, interest generated and bookings + revenue tracked to date.
 - Between evergreen + peak, the campaign is expected to have more than 310M+ impressions.
- Peak will see five new niche campaigns as part of the effort (Fishing, Arts, Native American/Tribal, Workforce and Stewardship).
- Community and A La Carte Co-op efforts launched in March and has performed well in the short time in market. The Community Co-op has 14 City or Regional DMO partners in 2023.
- Focus moves next to the upcoming Stewardship campaign, plus our “Hunt the Greatest” campaign, a co-op w/ Game, Fish and Parks promoting pheasant hunting.
- Updated the board on Mobile Passport Program and plans for five passports by the end of 2023. The passport program saw a relaunch this year. They currently highlight 185+ locations throughout the state.

Wanda Goodman, Strategic Plan and Leadership Training

- Updated the board on Travel South Dakota’s 3-year strategic plan, including the status of several initiatives.
- Provided information on the U.S. Travel Association’s 2023 legislative priorities.

Mistie Caldwell, Visit Spearfish

- 200K visitors through Spearfish
- Bike races
- Hiking and snow shoeing
- Downtown Friday Nights
- Festival in the park
- Cheyenne Crossing is opening soon after a fire
- New sporting baseball complex
- Spearfish offers three breweries and 11 coffee shops

Michelle Thompson, Black Hills and Badlands Tourism

- Black Hills and Badlands new vacation guides and maps just went to print

- BHBL Tourism has attended eight Travel Shows

Patrick Dame, Rapid City Regional Airport

- Pilot and crew shortage for a decade
- Nonstop flights-Minneapolis twice a week is the most popular flight-ends September 4
- Seven nonstop destinations
- Summer might be soft, and percentages might be down a bit

Michelle Wheatley, Mount Rushmore National Memorial

- 125 million visitors since they started tracking in 1941
- Infrastructure improvements in 2019-2021
- Replaced the bleacher
- Highspeed Wi-Fi in summer of 2023
- New pet exercise area
- 20-25K visitors a day
- May 26 is the evening lighting ceremony
- Public restrooms and theatre area will be updated 2023-2025

Kevin Tillman, Jewel Cave National Monument

- 50th anniversary
- Scenic trail improvements
- Elevator improvements

Leigh Welling, Wind Cave National Park

- Established in 1903
- 6th largest park
- 1st Cave designated a National Park
- New Native American exhibits
- Elevator replacement is scheduled for October 2024 with no tours for 5-6 months

Eric Veach, Badlands National Park & Minuteman National Historic Site

- 197 Black footed ferrets, this is the biggest population of wild black footed ferrets
- Anticipating One million visitors in 2023
- New Visitor Center at Cedar Pass
- White River Visitor Center will be open on Pine Ridge

Bradley Block, Black Hills National Forest

- Updating the campgrounds

Matt Snyder, Custer State Park

- Bison Center had great visitor numbers
- Updating the Visitor Center

- Strong numbers for camping
- Opening comfort stations early
- Renovation from the fire will be completed in May
- Enhancing the lake trails
- 25th anniversary of the Mickelson Trail

Secretary Hagen

Secretary Hagen thanked everybody for attending the meetings, and especially was grateful to the National Park Superintendents, Superintendent Matt Snyder from Custer State Park, and representatives from the Black Hills National Forest for attending the meeting and providing such great updates. He encouraged the board and attendees to reach out to the department if there was anything they needed. He reminded the board that their next meeting will be in Aberdeen on June 28-29.

Meeting adjourned around 3:30 PM.